

CHARTER TOWNSHIP OF WEST BLOOMFIELD

RESOLUTION OPPOSITION RECENTLY INTRODUCED LEGISLATION AFFECTING THE ABILITY OF LOCAL UNITS OF GOVERNMENT TO OFFER RETIREE HEALTH CARE

PREAMBLE:

At a regular meeting of the Township Board for the Charter Township of West Bloomfield, Oakland County, Michigan, held on December 5, 2016, at Township Hall, 4550 Walnut Lake Road, West Bloomfield, Michigan. The following Preamble and Resolution were offered by Trustee Kosulbay and supported by Trustee Kaplan.

A series of bills (HB6074, HB6075, HB6076, HB6077, HB6078, HB6079, HB6080, HB6081, HB6082, HB6083, HB6084, HB6085, and HB6086) was introduced in the Michigan House of Representatives on November 30, 2016.

These bills, if enacted in their present form, would:

- Eliminate retiree health benefits for newly local government employees, and allow local governments to replace it with a small contribution into a tax-deferred account.
- Cap a local government's contribution for retiree health benefits for existing employees and retirees at 80% of the benefit cost, subject to existing contract provisions and the funded percentage of the retirement health system.
- Prohibit retiree health care from being a subject of collective bargaining.

The justification for these bills is that retiree health care is underfunded in many local units of government. However, these bills address that issue with an overbroad brush. Rather than focusing on deficiencies where they exist, these bills treat all units of local government the same, regardless of their financial status.

These bills are an infringement upon the autonomy of local government. It is only fair that the State of Michigan treats its local units of government the way it asks to be treated by the federal government.

These bills would diminish the ability of local governments to attract talent, as the private sector and other employers will remain able to offer more attractive benefits to their employees.

These bills would intrude on the collective bargaining process, impinge upon the collaborative relationship between local units of government and their employees.

Lastly, West Bloomfield has met all of its financial obligations to current and future retirees; therefore, these bills unjustly limit the autonomy of the Township to negotiate with its employees.

THUS:

THE TOWNSHIP OF WEST BLOOMFIELD RESOLVES that this legislation is against the best interests of local units of government.

THE TOWNSHIP FURTHER RESOLVES that other methods of addressing the financial issues of retiree health care are fairer to local units of government, their employees, and their retirees.

THE TOWNSHIP FURTHER RESOLVES that the Governor and Legislature should not enact this legislation for the reasons stated above, and request that the State discuss the issue of retiree health care with local units of government, employees, and retirees to come to a fair and comprehensive solution.

The Township further resolves that a copy of this Resolution be sent directly to Governor Rick Snyder, Attorney General Bill Schuette, Senator Mike Kowall, Representative Klint Kesto, and Representative Mike McCready.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:


RESOLUTION DECLARED ADOPTED THIS 5th DAY OF DECEMBER, 2016.

CERTIFICATION

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)


ANTHONY JAMES WEATHERLY
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF OAKLAND
My Commission Expires August 18, 2022

I, Debbie Binder, the duly qualified Clerk of the Charter Township of West Bloomfield, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Township Board of the Charter Township of West Bloomfield of the 5th day of December, 2016. The original copy is on file in the Office of the Clerk.


DEBBIE BINDER
TOWNSHIP CLERK